

SENATE BILL 144

By Lundberg

AN ACT to amend Tennessee Code Annotated, Section 5-9-109 and Section 6-54-111, relative to the appropriation of funds for nonprofit organizations by local governments.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 5-9-109, is amended by deleting subdivision (c)(3) and by substituting instead the following:

(3) Any nonprofit organization that desires such financial assistance may file, in lieu of the annual audit, an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury.

SECTION 2. Tennessee Code Annotated, Section 6-54-111(c), is amended by deleting the subsection in its entirety and by substituting instead the following language:

(c)

(1) Any nonprofit organization that desires financial assistance from a municipality shall file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;

(B) A description of the program that serves the residents of the municipality; and

(C) The proposed use of the municipal assistance.

(2) The report filed pursuant to subdivision (c)(1) shall be open for public inspection during regular business hours of the city clerk's office.

(3) Financial reports shall be available to fiscal officers of the municipality and shall be subject to audit under § 4-3-304.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.